

Office of the Commissioner
MAJOR LEAGUE BASEBALL



Bryan Seeley
SVP & Deputy General Counsel

February 20, 2019

Via UPS & Electronic Mail

Sandra Douglass Morgan
Chairwoman
Nevada Gaming Control Board
1919 College Parkway
Carson City, Nevada 89706

Re: Major League Baseball's Request to Restrict Wagering on Spring Training

Dear Chairwoman Morgan:

I write on behalf of the Office of the Commissioner for Major League Baseball ("MLB") and its 30 Clubs to request that the Nevada Gaming Control Board restrict all sports wagering on MLB's Spring Training games. Such games are exhibition contests in which the primary focus of Clubs and players is to prepare for the coming season rather than to win games or perform at maximum effort on every single play. These games are not conducive to betting and carry heightened integrity risks, and the Board should not permit bookmakers to offer bets on them.

The Office of the Commissioner is the governing body for MLB and is tasked with protecting the integrity of America's national pastime. MLB's concerns discussed herein sufficiently establish good cause to prohibit betting on Spring Training games. MLB's preseason is commonly known as "Spring Training" and commences when pitchers and catchers report to training facilities in Arizona and Florida in mid-February. Spring Training includes practices and a series of exhibition games between MLB's 30 Major League Clubs. On occasion, Clubs also play exhibition games against collegiate, Minor League, and national teams from other countries. In 2019, Spring Training games will commence on February 21 (tomorrow) and conclude prior to Opening Day on March 28.

Spring Training is practice. Players work to improve their individual performance and ability to perform together as a team. Clubs and coaches develop, test, and refine strategy in preparation for the regular season. Spring Training statistics and win-loss records do not count for anything. In short, the emphasis of Spring Training is on preparation for the regular season rather than winning or performing at maximum effort on every single play.

Spring Training is also an opportunity for Clubs to evaluate non-roster players and finalize their regular-season rosters. Clubs invite Minor League players, as well as veteran free

agents, to participate in Spring Training alongside the players likely to make the regular-season roster. By the later innings of a typical Spring Training game, the field is largely populated with Minor League players who will not make the Opening Day roster.

For these reasons, Spring Training games are not conducive to betting and carry heightened integrity risks. Any game or play in which winning or losing may not be the primary objective is much more vulnerable to manipulation. This risk is particularly acute when many of the participants are lower-paid non-roster players. Moreover, Spring Training games provide greater opportunity for the misuse of inside information. The outcome of games sometimes depends heavily on non-public managerial decisions that are made in advance and are independent of Club or player performance, such as how many innings a pitcher will throw or in which inning Minor League players will replace Major League players.

There is no less restrictive alternative to prohibiting betting on Spring Training. Even if in-play bets are disallowed, bettors could still wager on games that have no consequence on the standings and on players who are targets for manipulation. Any wagering on Spring Training presents integrity risks that are sufficiently high to warrant a total betting restriction. Further, at a time when other major professional and collegiate sports leagues are in season, bookmakers do not need to offer betting on Spring Training to remain financially viable. The risk to MLB and baseball fans in Nevada far outweighs the reward to Nevada bookmakers for offering such betting.

Accordingly, MLB requests that the Board restrict all wagering on Spring Training games. MLB is making this request now because legal sports betting is rapidly expanding throughout the United States. Limited and historically in-person betting on Spring Training in one state did not pose nearly the same integrity risks that widespread betting on Spring Training in multiple states will pose, particularly when some of those states have populations several times the size of Nevada's population. In order to discourage the development of betting markets around Spring Training games nationwide, MLB will request the same restriction to the appropriate state regulator in any state where such betting is offered.

We would be happy to discuss this request with the Board at its convenience, though we note that Spring Training begins tomorrow, which makes this request time-sensitive. Thank you for considering this important request and for assisting our efforts to protect the integrity of the sport. We look forward to working with you.

Sincerely,



Bryan Seeley